

FINANCIAL STATEMENTS



Statement by Executive Committee and Financial Statements

For the Reporting Year Ended 31 March 2014

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GENERAL INFORMATION

Executive Committee Members

| | | |
|---------------------------------|---|-------------------------|
| Mr Chan Chee Keong | – | President |
| Dr Francis C. Chen | – | Vice President |
| Mr Winston Wong | – | Vice President |
| Mr Royce Seah | – | Hon Secretary |
| Mr Gwee Sze Chuan | – | Hon Treasurer |
| Mrs Ruby Cheah | – | Hon Assistant Treasurer |
| Associate Professor Mohan Menon | – | Committee Member |
| Mr Bill Bowman | – | Committee Member |
| Ms Kristin Van Burm | – | Committee Member |
| Mrs Margaret Goh | – | Committee Member |
| Dr Victor Tay Kah Soon | – | Committee Member |
| Ms Angie Ng | – | Committee Member |
| Mr Chinnu Palanivelu | – | Committee Member |

Address

900 New Upper Changi Road Singapore 467354

Auditors

RSM Chio Lim LLP

Principal Banker

DBS Bank Ltd

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
 (UEN : S75SS0058K)

STATEMENT BY EXECUTIVE COMMITTEE

The Executive Committee is responsible for the fair presentation of the financial statements of Association For Persons With Special Needs ("the Association") in accordance with the provisions of the Charities Act, Chapter 37, the Societies Act, Chapter 311 and Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in circumstances.

In our opinion:

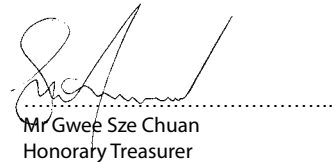
- (a) the accompanying statement of financial activities, statement of changes in accumulated fund, statement of financial position, statement of cash flows and notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Association as at 31 March 2014 and of the results, changes in accumulated fund and cash flows of the Association for the reporting year then ended; and
- (a) at the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

The Executive Committee approved and authorised these financial statements for issue.

On behalf of the Executive Committee



Mr Chan Chee Keong
President



Mr Gwee Sze Chuan
Honorary Treasurer

Singapore
7th August 2014

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
 (UEN : S75SS0058K)

Report on the Financial Statements

We have audited the accompanying financial statements of the Association For Persons With Special Needs (the "Association") which comprise the statement of financial position as at 31 March 2014 and the statement of financial activities, statement of changes in accumulated fund and statement of cash flows for the reporting year then ended and a summary of significant accounting policies and other explanatory information.

Executive Committee's Responsibility for the Financial Statements

The Executive Committee is responsible for the preparation and fair presentation of these financial statements in accordance with the Singapore Financial Reporting Standards, the Societies Act, Chapter 311 (the "Society Act"), and the Singapore Charities Act, Chapter 37 (the "Charities Act") and for such internal control as the Executive Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS**
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

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Opinion

In our opinion, the financial statements are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Association as at 31 March 2014 and the results, changes in equity and cash flows of the Association for the reporting year ended on that date.

Reporting on other legal and regulatory requirements

In our opinion: (a) the accounting and other records required by the regulations enacted under the Societies Act to be kept by the Association have been properly kept in accordance with those regulations; and (b) the fund-raising appeals held during the reporting year have been carried out in accordance with regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeals.

During the course of our audit, nothing has come to our attention that causes us to believe that during the reporting year:

(a) The use of the donation monies was not in accordance with the objectives of the Association as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations; and

(b) The Association has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

7th August 2014

Partner in charge of audit: Chan Sek Wai
Effective from reporting year ended 31 March 2013

STATEMENT OF FINANCIAL ACTIVITIES FOR THE REPORTING YEAR ENDED 31 MARCH 2014

| | Notes | 2014 \$ | 2013 \$ |
|--|-------|-------------------|-------------------|
| INCOMING RESOURCES | | | |
| Amortisation of Deferred Capital Grant | 15 | 898,758 | 697,873 |
| Children's Charities Association Fund | 12n | 121,972 | 124,265 |
| Donations | | | |
| – Designated Donations | 14a | 1,310,344 | 1,038,504 |
| – General Donations | | 22,617 | 22,313 |
| – Donation in Kind | | 44,919 | 38,113 |
| Grant from MSF | | | |
| – Operating Grants | 4 | 597,124 | 589,134 |
| – Land rental / TOL Grant | | 268,246 | 268,246 |
| Grant from MOE | | | |
| – Operating Grants | 4 | 14,258,103 | 14,421,715 |
| – Vocational Preparation Grant | 12p | 418,604 | – |
| – MOE Secondment Fund | 4 | 218,796 | 313,714 |
| – High Needs Grant | 12r | 133,989 | – |
| – Land rental / TOL grant | | 2,314,298 | 2,315,060 |
| – Curriculum Enhancement Fund | 12f | 162,805 | 107,599 |
| – Edusave Fund | 12a | 37,235 | 64,093 |
| – Additional Training Vote | 12s | 48,000 | – |
| – Opportunity Fund | 12b | 117,523 | 9,561 |
| – Parent Support Group | 12c | – | 10,000 |
| – Staff Training Fund | 12h | 193,914 | 1,605 |
| – SPED Innovation Award | 12i | – | 10,000 |
| – SPED Outstanding Teachers Award | 12k | – | 5,000 |
| – School Based Student Award | 12o | 84,600 | 96,680 |
| – Discretionary Finance Assistance | 12j | 76,293 | 68,688 |
| Grant from NCSS / Tote Board | | | |
| – Operating Grants | 4 | 6,276,199 | 5,075,391 |
| – VCF Charities Capability Fund | | 38,849 | 2,785 |
| School Pocket Money Fund | 12e | 12,963 | 14,985 |
| Trailblazer–Chan Chiew Ping Special Schools Fund | 12g | – | 1,044 |
| Arts & Culture Presentation Grant | 12q | 5,880 | – |
| Grant from AIC | | | |
| – Community Silver Trust Fund | 12l | 819,119 | 154,586 |
| Interest Income | | 77,751 | 91,035 |
| Membership Fees | | 260 | 400 |
| Programme Sales and Services | 6 | 149,533 | 166,043 |
| Gains on Disposal of Plant and Equipment | | – | 15,749 |
| Miscellaneous Income | | 6,405 | 27,418 |
| Programme / School Fees | | | |
| – Local Students | | 378,320 | 378,977 |
| – Foreign Students | | 299,740 | 224,817 |
| Total Incoming Resources | | <u>29,393,159</u> | <u>26,355,393</u> |

The accompanying notes form an integral part of these financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE REPORTING YEAR ENDED 31 MARCH 2014

| | 2014 | 2013 |
|--|------------------|------------------|
| | \$ | \$ |
| Less: Resources Expended | (27,000,201) | (24,509,189) |
| Surplus for the year | 2,392,958 | 1,846,204 |
| Add / (Less): Transfer from / (to) | | |
| <u>Trust Fund :</u> | | |
| – Edusave Fund | 51,992 | 122,200 |
| – Opportunity Fund | (71,183) | 22,966 |
| – Parent Support Group | 4,906 | (10,000) |
| – NCSS Research Study | – | 3,154 |
| – School Pocket Money Fund | 6,817 | 6,309 |
| – Curriculum Enhancement Fund | (18,695) | 83,050 |
| – Trailblazer Chan Chiew Ping Special School | 2,927 | 10,534 |
| – Staff Training Fund | 70,631 | 265,161 |
| – SPED Innovation Award | 4,480 | 944 |
| – Discretionary Finance Assistance | 30,834 | (21,372) |
| – SPED Outstanding Teacher Award | 1,068 | (2,537) |
| – Community Silver Trust Fund | (506,596) | (55,306) |
| – Staff Training Grant – OFA | 7,122 | 5,977 |
| – Children’s Charities Association Fund | 121,283 | (4,311) |
| – Vocational Preparation Grant | (85,478) | – |
| – Art & Culture Presentation Grant | (5,880) | – |
| – High Needs Grant | (11,510) | – |
| – Additional Training Vote | (30,082) | – |
| <u>Designated Donation Fund :</u> | | |
| – Designated Donation | (60,363) | (572,486) |
| – Education Fund | – | 200,000 |
| – Percussion Fund | 4,406 | 7,666 |
| Net surplus transferred to Accumulated Fund | <u>1,909,637</u> | <u>1,908,153</u> |

The accompanying notes form an integral part of these financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

| | Notes | 2014 | 2013 |
|--|-------|-------------------|-------------------|
| | | \$ | \$ |
| Resources Expended | | | |
| Audit fee | | 54,100 | 42,517 |
| Additional training vote | | 17,918 | – |
| Bank charges | 12s | 4,736 | 4,140 |
| Community silver trust fund | 12l | 312,523 | 99,280 |
| CFA job training expenses | 6 | 462,100 | 661,710 |
| Communication and postages | | 57,357 | 56,344 |
| Curriculum enhancement fund expenses | 12f | 144,110 | 190,649 |
| Children’s charities association fund expenses | 12n | 243,255 | 119,954 |
| Charities capability fund expenses | | 38,849 | 2,785 |
| Discretionary financial assistance | 12j | 107,127 | 47,316 |
| Depreciation of property, plant and equipment | 7 | 1,299,621 | 933,999 |
| Designated donation expenses | 14a | 1,249,981 | 466,018 |
| Donation in kind expenses | | 49,006 | 38,112 |
| Education fund expenses | 14c | – | 200,000 |
| Educational and teaching materials | | 265,487 | 369,568 |
| Edusave fund programme | 12a | 89,227 | 186,293 |
| Employee benefit expenses | 5 | 16,493,067 | 15,780,334 |
| General insurance | | 35,728 | 31,739 |
| High needs grant | 12r | 122,479 | – |
| Land rental | 26b | 2,583,500 | 2,584,252 |
| License fees | | 815 | 1,565 |
| Losses on disposal of plant and equipment | | 6,165 | – |
| Maintenance of equipment | | 124,204 | 130,436 |
| Maintenance of premises | | 338,340 | 221,303 |
| Membership fees | | 4,644 | 257 |
| NCSS research study | 12d | – | 3,154 |
| Opportunity fund programme | 12b | 46,340 | 32,527 |
| Parent support group | 12c | 4,906 | – |
| Percussion fund | 14d | 4,406 | 7,666 |
| Professional fees | | 107,746 | 76,578 |
| Purchase of contract services | | 287,627 | 257,672 |
| Purchase of sale items | | – | 14,267 |
| Rental of equipment | 26a | 34,288 | 25,934 |
| School fees uncollectible written-off | | 800 | 950 |
| School function and activities | | 293,538 | 301,755 |
| School pocket money fund programme | 12e | 19,780 | 21,294 |
| School based student award | 12o | 84,600 | 96,680 |
| Small equipment and furniture | | 176,369 | 79,414 |
| Staff recruitment expenses | | 16,040 | 33,483 |
| Staff training fund programme (Schools) | 12h | 264,545 | 266,766 |
| Staff training & development (HQ) | | 18,284 | 10,608 |
| Staff training grant OFA | 12m | 7,122 | 5,977 |
| Staff transport expenses | | 34,701 | 29,824 |
| Staff welfare expenses | | 368,705 | 288,975 |
| SPED outstanding teachers award | 12k | 1,068 | 2,463 |
| Stamp duties and processing fees | | 9,182 | 2,160 |
| Stationery and supplies | | 200,949 | 158,575 |
| SPED innovation award | 12i | 4,480 | 10,944 |
| Trailblazer–Chan Chiew Ping special schools fund expense | 12g | 2,927 | 11,578 |
| Transport subsidy for students | | 181,520 | 206,897 |
| Utilities | | 391,743 | 393,654 |
| Vocational Preparation Grant | 12p | 333,126 | – |
| Welfare subsidy for students | | – | 823 |
| Written off – inventories | | 1,070 | – |
| Total Resources Expended | | <u>27,000,201</u> | <u>24,509,189</u> |

The accompanying notes form an integral part of these financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

STATEMENT OF FINANCIAL ACTIVITIES (BY CENTRE)
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

| | CHAORYANG SCHOOL | KATONG SCHOOL | TANGLIN SCHOOL | DELTA SENIOR SCHOOL | HQ | CENTRE FOR ADULTS | CHAORYANG BEFORE & AFTER SCHOOL CARE | INTRA-CENTRE ELIMINATION | 2014 FINAL TOTAL | 2013 FINAL TOTAL |
|--|---------------------|------------------|-------------------|------------------------|---------|----------------------|---|-----------------------------|---------------------|---------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| INCOMING RESOURCES | | | | | | | | | | |
| Amortisation of deferred capital grant | 46,550 | 63,197 | 108,302 | 156,876 | 267 | 523,566 | – | – | 898,758 | 697,873 |
| Children’s charities association fund received | – | – | – | – | – | 121,972 | – | – | 121,972 | 124,265 |
| Donations | | | | | | | | | | |
| – Designated donations | 29,694 | 130,177 | 31,192 | 5,500 | 511,898 | 601,883 | – | – | 1,310,344 | 1,038,504 |
| – General donations | 7,087 | – | – | 15,525 | – | 5 | – | – | 22,617 | 22,313 |
| – Donation in kind | – | 25,936 | 3,270 | 3,743 | – | 11,970 | – | – | 44,919 | 38,113 |
| Grant from MSF | | | | | | | | | | |
| – Operating grants | – | – | – | – | – | 573,100 | 24,024 | – | 597,124 | 589,134 |
| – Land Rental / TOL grant | – | – | – | – | – | 249,417 | 18,829 | – | 268,246 | 268,246 |
| Grant from MOE | | | | | | | | | | |
| – Operating grants | 2,911,660 | 2,633,325 | 3,084,788 | 5,628,330 | – | – | – | – | 14,258,103 | 14,233,031 |
| – Vocational education prototype grant | – | 126,092 | 292,512 | – | – | – | – | – | 418,604 | – |
| – MOE Secondment Fund | 68,261 | 102,732 | – | 47,803 | – | – | – | – | 218,796 | 502,398 |
| – MOE High Needs Grant | 84,422 | 49,567 | – | – | – | – | – | – | 133,989 | – |
| – Land rental / TOL grant | 613,237 | 547,088 | 661,915 | 492,058 | – | – | – | – | 2,314,298 | 2,315,060 |
| – Curriculum Enhancement Fund (“CEF”) | 55,000 | 34,266 | 70,000 | 3,539 | – | – | – | – | 162,805 | 107,599 |
| – Edusave grant | 11,525 | 10,325 | 15,100 | 285 | – | – | – | – | 37,235 | 64,093 |
| – Additional Training Vote | 12,400 | 12,800 | 15,200 | 7,600 | – | – | – | – | 48,000 | – |
| – Opportunity fund | 25,743 | 19,445 | 31,960 | 40,375 | – | – | – | – | 117,523 | 9,561 |
| – Parent Support Group | – | – | – | – | – | – | – | – | – | 10,000 |
| – Staff training grant | – | 37,349 | 24,257 | 132,308 | – | – | – | – | 193,914 | 1,605 |
| – SPED Teacher & Innovation awards | – | – | – | – | – | – | – | – | – | 15,000 |
| – School based Student award | 11,800 | 18,500 | 29,000 | 25,300 | – | – | – | – | 84,600 | 96,680 |
| – Discretionary Finance Assistant | 6,055 | 17,000 | 20,000 | 33,238 | – | – | – | – | 76,293 | 68,688 |

The accompanying notes form an integral part of these financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

STATEMENT OF FINANCIAL ACTIVITIES (BY CENTRE)
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

| | CHAOYANG SCHOOL | KATONG SCHOOL | TANGLIN SCHOOL | DELTA SENIOR SCHOOL | HQ | CENTRE FOR ADULTS | CHAOYANG BEFORE & AFTER SCHOOL CARE | INTRA-CENTRE ELIMINATION | 2014 FINAL TOTAL | 2013 FINAL TOTAL |
|---|--------------------|------------------|-------------------|------------------------|----------------|----------------------|--|-----------------------------|---------------------|---------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| INCOMING RESOURCES (CONT'D) | | | | | | | | | | |
| Grant from NCSS | | | | | | | | | | |
| – Operating grants | 1,046,179 | 943,233 | 1,110,212 | 2,050,975 | – | 590,351 | – | – | 5,740,950 | 3,225,843 |
| – HQ costs apportionment | 111,518 | 111,518 | 111,518 | 111,518 | – | 78,718 | – | – | 524,790 | 323,253 |
| – Provision for under / (over) funding NCSS | 13,209 | 37,219 | 3,970 | (43,939) | – | – | – | – | 10,459 | 7,180 |
| – VCF Charities Capability Fund | – | – | – | – | 38,849 | – | – | – | 38,849 | 2,785 |
| Grant from Tote Board | | | | | | | | | | |
| – Operating grant | – | – | – | – | – | – | – | – | – | 1,442,933 |
| – HQ costs apportionment | – | – | – | – | – | – | – | – | – | 107,751 |
| – Provision for (over) / under funding Tote Board | – | – | – | – | – | – | – | – | – | (31,569) |
| School pocket money fund | 358 | 653 | 1,593 | 10,359 | – | – | – | – | 12,963 | 14,985 |
| Trailblazer Special School Fund (“TSSF”) | – | – | – | – | – | – | – | – | – | 1,044 |
| Arts & Culture Presentation Grant | – | – | 5,880 | – | – | – | – | – | 5,880 | – |
| Community Silver Trust Fund | – | – | – | – | – | 819,119 | – | – | 819,119 | 154,586 |
| Interest Income | 11,758 | 12,781 | 19,999 | 11,923 | 19,966 | 1,306 | 18 | – | 77,751 | 91,035 |
| Membership fees | – | – | – | – | 260 | – | – | – | 260 | 400 |
| Gain on disposal of property, plant and equipment | – | – | – | – | – | – | – | – | – | 15,749 |
| Miscellaneous Income | – | 2,677 | 2,042 | 1,001 | – | 685 | – | – | 6,405 | 27,418 |
| Programme sales and services | – | – | – | – | – | 149,533 | – | – | 149,533 | 166,043 |
| Programme sales and services (intra-division charges) | – | – | – | – | – | 27,145 | – | (27,145) | – | – |
| Programme / School Fees | | | | | | | | | | |
| – Local students | 57,420 | 46,660 | 70,220 | 88,180 | – | 91,360 | 24,480 | – | 378,320 | 378,977 |
| – Foreign students | – | 229,020 | 70,720 | – | – | – | – | – | 299,740 | 224,817 |
| TOTAL INCOMING RESOURCES | 5,123,876 | 5,211,560 | 5,783,650 | 8,822,497 | 571,240 | 3,840,130 | 67,351 | (27,145) | 29,393,159 | 26,355,393 |

The accompanying notes form an integral part of these financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

STATEMENT OF FINANCIAL ACTIVITIES (BY CENTRE)
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

| | CHAORYANG SCHOOL | KATONG SCHOOL | TANGLIN SCHOOL | DELTA SENIOR SCHOOL | HQ | CENTRE FOR ADULTS | CHAORYANG BEFORE & AFTER SCHOOL CARE | INTRA-CENTRE ELIMINATION | 2014 FINAL TOTAL | 2013 FINAL TOTAL |
|--|---------------------|------------------|-------------------|------------------------|-----------|----------------------|--|-----------------------------|---------------------|---------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| RESOURCES EXPENDED | | | | | | | | | | |
| Audit fee | 6,955 | 8,237 | 7,702 | 7,702 | 9,908 | 11,456 | 2,140 | - | 54,100 | 42,517 |
| Additional Training Vote | - | 6,687 | 3,631 | 7,600 | - | - | - | - | 17,918 | - |
| Bank charges | 545 | 648 | 795 | 1,001 | 1,297 | 387 | 63 | - | 4,736 | 4,140 |
| Community Silver Trust Fund | - | - | - | - | - | 312,523 | - | - | 312,523 | 99,280 |
| CFA Job training expenses | - | - | - | - | - | 462,100 | - | - | 462,100 | 661,710 |
| Communication and postages | 7,070 | 6,100 | 8,938 | 16,485 | 11,977 | 6,787 | - | - | 57,357 | 56,344 |
| Curriculum enhancement fund expenses | 27,016 | 39,155 | 70,000 | 7,939 | - | - | - | - | 144,110 | 190,649 |
| CCA fund expenses | - | - | - | - | - | 243,255 | - | - | 243,255 | 119,954 |
| Charities Capability fund | - | - | - | - | 38,849 | - | - | - | 38,849 | 2,785 |
| Depreciation of property, plant and equipment | 91,449 | 151,099 | 180,389 | 361,383 | 10,387 | 504,914 | - | - | 1,299,621 | 933,999 |
| Designated donation expenses | 15,862 | 151,985 | 51,254 | 247,818 | 535,577 | 247,485 | - | - | 1,249,981 | 355,382 |
| Donation in kind expenses | 7,087 | 25,936 | 3,270 | 743 | - | 11,970 | - | - | 49,006 | 38,112 |
| Education fund | - | - | - | - | - | - | - | - | - | 200,000 |
| Educational and teaching materials | 42,488 | 31,280 | 35,491 | 155,986 | 226 | 16 | - | - | 265,487 | 369,568 |
| Edusave grant programme | 13,827 | 16,807 | 44,229 | 14,364 | - | - | - | - | 89,227 | 186,293 |
| Employee benefits expense | 2,910,120 | 3,236,446 | 3,623,207 | 4,968,756 | 1,265,202 | 408,247 | 81,089 | - | 16,493,067 | 15,780,334 |
| Insurance (Property, liability & workmen compensation) | 3,942 | 4,079 | 4,370 | 4,577 | 16,615 | 1,483 | 662 | - | 35,728 | 31,739 |
| Fund raising expenses | - | - | - | - | - | - | - | - | - | 110,636 |
| Head office cost allocation | 111,518 | 111,518 | 111,518 | 111,518 | (524,790) | 78,718 | - | - | - | - |
| High Needs Grant expenses | 84,422 | 38,057 | - | - | - | - | - | - | 122,479 | - |
| Land rental | 613,425 | 547,856 | 661,915 | 492,058 | - | 249,417 | 18,829 | - | 2,583,500 | 2,584,252 |
| License & TOL fees | 815 | - | - | - | - | - | - | - | 815 | 1,565 |
| Loss on disposal of fixed assets | 15 | 3,105 | 97 | 2,499 | 3 | 446 | - | - | 6,165 | - |
| Maintenance of equipment | 24,033 | 27,068 | 23,472 | 35,325 | 1,764 | 12,157 | 385 | - | 124,204 | 130,436 |
| Maintenance of premises | 53,886 | 46,029 | 51,152 | 173,347 | 6,294 | 7,632 | - | - | 338,340 | 221,303 |
| Maintenance of premises (intra-division charges) | 6,050 | 1,815 | 2,860 | 16,420 | - | - | - | (27,145) | - | - |
| Membership fee | 600 | 900 | 1,230 | 1,000 | 314 | 600 | - | - | 4,644 | 257 |
| Opportunity fund programme | 524 | - | 2,300 | 43,516 | - | - | - | - | 46,340 | 32,527 |
| Parent Support Group expenses | 2,150 | 588 | 698 | 1,470 | - | - | - | - | 4,906 | - |
| Percussion fund | - | - | 4,406 | - | - | - | - | - | 4,405 | 7,666 |
| Professional fees | 81,481 | - | - | 20,000 | 6,265 | - | - | - | 107,746 | 76,578 |
| Purchase of contract services | 62,400 | 72,880 | 69,600 | 82,747 | - | - | - | - | 287,627 | 257,672 |
| Consumable items | - | - | - | - | - | - | - | - | - | 14,267 |

The accompanying notes form an integral part of these financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

STATEMENT OF FINANCIAL ACTIVITIES (BY CENTRE) FOR THE REPORTING YEAR ENDED 31 MARCH 2014

| | CHAORYANG SCHOOL | KATONG SCHOOL | TANGLIN SCHOOL | DELTA SENIOR SCHOOL | HQ | CENTRE FOR ADULTS | CHAORYANG BEFORE & AFTER SCHOOL CARE | INTRA-CENTRE ELIMINATION | 2014 FINAL TOTAL | 2013 FINAL TOTAL |
|---|---------------------|------------------|-------------------|------------------------|----------------|----------------------|---|-----------------------------|---------------------|---------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| RESOURCES EXPENDED (CONT'D) | | | | | | | | | | |
| Rental of equipment | 5,996 | 6,741 | 4,532 | 12,923 | 2,067 | 2,029 | - | - | 34,288 | 25,934 |
| School fees uncollectible written-off | - | - | - | - | - | 800 | - | - | 800 | 950 |
| School function and activities | 104,071 | 33,568 | 34,809 | 117,133 | 203 | 1,708 | 2,046 | - | 293,538 | 301,755 |
| School pocket money programme | 3,035 | 1,535 | 5,215 | 9,995 | - | - | - | - | 19,780 | 21,294 |
| School based student award | 11,800 | 18,500 | 29,000 | 25,300 | - | - | - | - | 84,600 | 96,680 |
| Shared expenses curriculum, IT support, communication and publicity, admission and review, etc. | 172,747 | 161,005 | 209,762 | 253,505 | (896,271) | 99,252 | - | - | - | - |
| Small equipment and furniture (<\$1,000) | 12,845 | 25,365 | 18,937 | 92,198 | 4,489 | 22,146 | 389 | - | 176,369 | 79,414 |
| Staff Recruitment expenses | 1,114 | 660 | 234 | 9,247 | 3,631 | 1,154 | - | - | 16,040 | 33,483 |
| Staff training & development ("School") | 43,053 | 44,171 | 64,675 | 112,646 | - | - | - | - | 264,545 | 266,766 |
| Staff training & development ("HQ") | - | - | - | - | 7,585 | 10,699 | - | - | 18,284 | 10,608 |
| NCSS research study | - | - | - | - | - | - | - | - | - | 3,154 |
| Staff training OFA grant expenses | 7,122 | - | - | - | - | - | - | - | 7,122 | 5,977 |
| Staff transport expenses | 715 | 1,673 | 2,344 | 15,338 | 10,121 | 4,510 | - | - | 34,701 | 29,824 |
| Staff Welfare expense | 69,248 | 71,206 | 73,725 | 108,810 | 29,502 | 11,776 | 4,438 | - | 368,705 | 288,975 |
| SPED outstanding teachers award | - | - | 1,068 | - | - | - | - | - | 1,068 | 2,463 |
| Discretionary financial assistance scheme | 18,338 | 12,000 | 31,871 | 44,918 | - | - | - | - | 107,127 | 47,316 |
| Stamp duties and processing fee | - | 174 | 5,133 | 3,875 | - | - | - | - | 9,182 | 2,160 |
| Stationery and supplies | 31,991 | 20,116 | 23,695 | 84,046 | 32,486 | 8,615 | - | - | 200,949 | 158,575 |
| SPED Innovation award | - | - | - | 4,480 | - | - | - | - | 4,480 | 10,944 |
| Trailblazer special school expenses | - | 2,927 | - | - | - | - | - | - | 2,927 | 11,578 |
| Transport subsidy for students | 63,949 | 36,958 | 39,640 | 40,973 | - | - | - | - | 181,520 | 206,897 |
| Utilities | 63,995 | 63,318 | 68,287 | 130,884 | 7,500 | 51,315 | 6,444 | - | 391,743 | 393,654 |
| Vocational Preparation Grant expenses | - | 40,614 | 292,512 | - | - | - | - | - | 333,126 | - |
| Welfare subsidy for student | - | - | - | - | - | - | - | - | - | 823 |
| Written off - inventories | - | - | - | - | - | 1,070 | - | - | 1,070 | - |
| Total Resources Expended | 4,777,699 | 5,068,806 | 5,867,963 | 7,840,525 | 581,201 | 2,774,667 | 116,485 | (27,145) | 27,000,201 | 24,509,189 |

The accompanying notes form an integral part of these financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

STATEMENT OF FINANCIAL ACTIVITIES (BY CENTRE) FOR THE REPORTING YEAR ENDED 31 MARCH 2014

| | CHAORYANG SCHOOL | KATONG SCHOOL | TANGLIN SCHOOL | DELTA SENIOR SCHOOL | HQ | CENTRE FOR ADULTS | CHAORYANG BEFORE & AFTER SCHOOL CARE | INTRA-CENTRE ELIMINATION | 2014 FINAL TOTAL | 2013 FINAL TOTAL |
|---|---------------------|------------------|-------------------|------------------------|----------------|----------------------|---|-----------------------------|---------------------|---------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Surplus / (Deficit) for the year | 346,177 | 142,754 | (84,313) | 981,972 | (9,961) | 1,065,463 | (49,134) | - | 2,392,958 | 1,846,204 |
| Less: Transfer from (to) various funds | | | | | | | | | | |
| <u>Trust Fund</u> | | | | | | | | | | |
| - Edsave Grant | 2,302 | 6,482 | 29,129 | 14,079 | - | - | - | - | 51,992 | 122,200 |
| - Opportunity Fund | (25,219) | (19,445) | (29,660) | 3,141 | - | - | - | - | (71,183) | 22,966 |
| - Parent Support Group | 2,150 | 588 | 698 | 1,470 | - | - | - | - | 4,906 | (10,000) |
| - NCSS Research Study | - | - | - | - | - | - | - | - | - | 3,154 |
| - School Pocket Money Fund | 2,677 | 882 | 3,622 | (364) | - | - | - | - | 6,817 | 6,309 |
| - Curriculum Enhancement Fund | (27,984) | 4,889 | - | 4,400 | - | - | - | - | (18,695) | 83,050 |
| - Trailblazer Special School Fund | - | 2,927 | - | - | - | - | - | - | 2,927 | 10,534 |
| - Staff Training Grant | 43,053 | 6,822 | 40,418 | (19,662) | - | - | - | - | 70,631 | 265,161 |
| - SPED Innovation Grant | - | - | - | 4,480 | - | - | - | - | 4,480 | 944 |
| - Discretionary Finance Assistance | 12,283 | (5,000) | 11,871 | 11,680 | - | - | - | - | 30,834 | (21,372) |
| - SPED Outstanding Teacher Award | - | - | 1,068 | - | - | - | - | - | 1,068 | (2,537) |
| - Community Silver Trust Fund | - | - | - | - | - | (506,596) | - | - | (506,596) | (55,306) |
| - Staff Training Grant - OFA | 7,122 | - | - | - | - | - | - | - | 7,122 | 5,977 |
| - Children's Charities Association Fund | - | - | - | - | - | 121,283 | - | - | 121,283 | (4,311) |
| - Vocational Preparation Grant | - | (85,478) | - | - | - | - | - | - | (85,478) | - |
| - Arts & Culture Presentation Grant | - | - | (5,880) | - | - | - | - | - | (5,880) | - |
| - High Needs Grant | - | (11,510) | - | - | - | - | - | - | (11,510) | - |
| - Additional Training Vote Grant | (12,400) | (6,113) | (11,569) | - | - | - | - | - | (30,082) | - |
| <u>Designated Donation Fund</u> | | | | | | | | | | |
| - Designated Donation | (13,832) | 21,808 | 20,062 | 242,318 | 23,679 | (354,398) | - | - | (60,363) | (572,486) |
| - Education Fund | - | - | - | - | - | - | - | - | - | 200,000 |
| - Percussion Fund | - | - | 4,406 | - | - | - | - | - | 4,406 | 7,666 |
| Net surplus / (deficit) transfer to Accumulated Fund | 336,329 | 59,606 | (20,148) | 1,243,514 | 13,718 | 325,752 | (49,134) | - | 1,909,637 | 1,908,153 |
| Represented by Accumulated Fund | | | | | | | | | | |
| Balance at beginning of the year | 2,559,770 | 2,407,008 | 3,925,340 | 7,639,984 | 578,482 | 339,278 | (82,224) | - | 17,367,638 | 15,518,457 |
| Net surplus / (deficit) for the year | 336,329 | 59,606 | (20,148) | 1,243,514 | 13,718 | 325,752 | (49,134) | - | 1,909,637 | 1,908,153 |
| Add / (less): Prior years under / (over) funding | | | | | | | | | | |
| - Tote Board | - | - | - | - | - | - | - | - | - | (160,535) |
| - NCSS / MSF | 2,877 | 7,646 | (1,732) | (27,386) | - | - | - | - | (18,595) | 22,714 |
| - MOE | - | - | - | - | - | - | - | - | - | 78,849 |
| Transfer from CFA Designated Donation | - | - | - | - | - | 169,247 | - | - | 169,247 | - |
| Balance at end of the year | 2,898,976 | 2,474,260 | 3,903,460 | 8,856,112 | 592,200 | 834,277 | (131,358) | - | 19,427,927 | 17,367,638 |

The accompanying notes form an integral part of these financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
 (Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
 (UEN : S75SS0058K)

**STATEMENT OF CHANGES IN ACCUMULATED FUND
 FOR THE REPORTING YEAR ENDED 31 MARCH 2014**

| | 2014 | 2013 |
|---|--------------------|-------------------|
| Note | \$ | \$ |
| Balance at beginning of the year | 17,367,638 | 15,518,457 |
| Net surplus for the year | 1,909,637 | 1,908,153 |
| Add / (Less): | | |
| Prior year overfunding from Tote Board | - | (160,535) |
| Prior year (over) under funding from NCSS and MSF | (18,595) | 22,714 |
| Write back of MOE prior year overfunding | - | 78,849 |
| Transfer from CFA Designated Donation | 14a <u>169,247</u> | - |
| Balance at end of year | <u>19,427,927</u> | <u>17,367,638</u> |

The accompanying notes form an integral part of these financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
 (Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
 (UEN : S75SS0058K)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

| | Notes | 2014 \$ | 2013 \$ |
|--|-------|-------------------|-------------------|
| Non-Current Assets | | | |
| Property, Plant & Equipment | 7 | 4,122,679 | 2,710,425 |
| Total Non-Current Assets | | <u>4,122,679</u> | <u>2,710,425</u> |
| Current Assets | | | |
| Inventories | 8 | 42,104 | 37,211 |
| Other Receivables | 9 | 244,723 | 204,262 |
| Other Assets | 10 | 697,689 | 662,952 |
| Amount due from NCSS, MOE, MSF, AIC and Tote Board | 22 | 1,045,483 | - |
| Cash and Cash Equivalents | 11 | <u>23,357,407</u> | <u>23,324,200</u> |
| Total Current Assets | | <u>25,387,406</u> | <u>24,228,625</u> |
| Total Assets | | <u>29,510,085</u> | <u>26,939,050</u> |
| Represented by: | | | |
| Funds and Liabilities | | | |
| Funds | | | |
| Trust Funds | 12 | 1,372,514 | 945,150 |
| Association Building Fund | 13 | 2,395,614 | 2,395,614 |
| Designated Donation Fund | 14 | 2,876,870 | 2,990,160 |
| Refurbishment Fund | 16 | 125,693 | 134,367 |
| School Building Fund | 17 | 3,952 | 3,952 |
| Accumulated Fund | | <u>19,427,927</u> | <u>17,367,638</u> |
| Total Funds | | <u>26,202,570</u> | <u>23,836,881</u> |
| Non-Current Liabilities | | | |
| Deferred Capital Grants | 15 | 1,351,188 | 1,450,399 |
| Provision, Non-Current | 18 | <u>58,270</u> | - |
| Total Non-Current Liabilities | | <u>1,409,458</u> | <u>1,450,399</u> |
| Current Liabilities | | | |
| Other Creditors and Accruals | 21 | 1,692,062 | 1,382,119 |
| Amount due to NCSS, MOE, MSF, AIC and Tote Board | 22 | - | 3,413 |
| School fees received in advance | 23 | 103,950 | 73,820 |
| Provision, Current | 18 | 75,000 | 100,000 |
| Fund held on behalf of AFID | 19 | - | 52,054 |
| AFID Conference Fund | 20 | <u>27,045</u> | <u>40,364</u> |
| Total Current Liabilities | | <u>1,898,057</u> | <u>1,651,770</u> |
| Total Liabilities | | <u>3,307,515</u> | <u>3,102,169</u> |
| Total Funds and Liabilities | | <u>29,510,085</u> | <u>26,939,050</u> |

The accompanying notes form an integral part of these financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

STATEMENT OF CASH FLOWS FOR THE REPORTING YEAR ENDED 31 MARCH 2014

| | 2014 | 2013 |
|--|--------------------------|--------------------------|
| | \$ | \$ |
| Cash Flows From Operating Activities | | |
| Net surplus for the year | 1,909,637 | 1,908,153 |
| Adjustment for: | | |
| Depreciation of Plant & Equipment | 1,299,621 | 933,999 |
| Prior Years Under Funding from MOE | – | 78,849 |
| Prior Years (Over) Under Funding from NCSS and MSF | (18,595) | 22,714 |
| Prior Years Over Funding from Tote Board | – | (160,535) |
| Transfer from CFA Designated Donation | 169,247 | – |
| Amortisation of Deferred Capital Grants | (898,758) | (697,873) |
| Interest Income | (77,751) | (91,035) |
| Losses / (Gains) on Disposal of Plant & Equipment | 6,165 | (15,749) |
| Surplus Before Changes in Working Capital | 2,389,566 | 1,978,523 |
| Inventories | (4,893) | (5,956) |
| Other Receivables | (40,461) | 40,255 |
| Other Assets | (34,737) | 4,048 |
| Other Creditors and Accruals | 309,943 | (1,300,467) |
| Provision for Reinstatement | 33,270 | – |
| School fees received in advance | 30,130 | (33,211) |
| Amount due to NCSS, MOE, MSF, AIC and Tote Board | (1,048,896) | (162,249) |
| Net Cash Flows From Operating Activities | <u>1,633,922</u> | <u>520,943</u> |
| Cash Flows From Investing Activities | | |
| Purchase of Plant & Equipment | (2,718,040) | (1,465,426) |
| Interest Income | 77,751 | 91,035 |
| Net Cash Flows Used in Investing Activities | <u>(2,640,289)</u> | <u>(1,374,391)</u> |
| Cash Flows From Financing Activities | | |
| Net (Payment) Receipt in Fund Held on behalf of AFID | (52,054) | 1,841 |
| Net Payment in AFID Conference Fund | (13,319) | (3,934) |
| Gross Receipt in Deferred Capital Grants | 799,547 | 257,485 |
| Proceeds from School Building Novated back to MOE | – | 675,652 |
| Cash restricted in use | (36) | 1,263,122 |
| Net Receipt (Payment) in Trust Funds | 427,364 | (437,780) |
| Net Receipt in Association Building Fund | – | 200,000 |
| Net (Payment) Receipt in Designated Donation Fund | (113,290) | 214,335 |
| Net Payment in Refurbishment Fund | (8,674) | (3,424) |
| Net Cash Flows From Financing Activities | <u>1,039,538</u> | <u>2,167,297</u> |
| Net Increase in Cash and Cash Equivalents | 33,171 | 1,313,849 |
| Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance | <u>23,155,490</u> | <u>21,841,641</u> |
| Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance (Note 11A) | <u><u>23,188,661</u></u> | <u><u>23,155,490</u></u> |

The accompanying notes form an integral part of these financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

1. Association Information

The Association for Persons with Special Needs (“APSN” or the “Association”) is registered in Singapore on 12 December 1975 under the Societies Act, Cap 311. The Association is also a charity registered under the Charities Act, Cap 37 and is an approved institution of public character under the Singapore Income Tax Act, Cap 134. The financial statements are presented in Singapore dollars.

The principal activities of the APSN are to provide education and training to persons with mild intellectual disability so that they have the necessary skills, attitude and personality to lead normal independent lives in adulthood.

The Association is situated in Singapore and has its head office at 900 New Upper Changi Road Singapore 467354.

There are 1,214 (2013: 1,236) students and clients, and 343 (2013: 333) staff as at end of the reporting year.

The financial statements include the state of affairs and the results of the APSN and the following:

Chaoyang School (“CYS”)
 Katong School (“KS”)
 Tanglin School (“TS”)
 Delta Senior School (“DSS”)
 Centre for Adults (“CFA”)
 Chaoyang School Before and After School Care (“CYS BASC”)

Chaoyang School, Katong School, Tanglin School and Delta Senior School are registered under Ministry of Education (“MOE”) and Chaoyang School Before and After School Care is registered under Ministry of Social and Family Development (“MSF”). Centre for Adults is operated as a division of APSN.

The financial statements of APSN for the reporting year ended 31 March 2014 are authorised for issuance by the executive committee on the date of the statement by the executive committee.

The Constitution of the Association restricts the use of fund monies to the furtherance of the objective of the Association, and prohibits the payment of dividends.

2. Summary of Significant Accounting Policies

Accounting Convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (“FRS”), as well as all related Interpretation to FRS (“INT FRS”) as issued by the Singapore Accounting Standards Council. The Association is also subject to the provisions of the Charities Act, Cap. 37. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS require an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

2. Summary Of Significant Accounting Policies (Cont'd)

Basis of Preparation of the Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the Executive Committee to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reporting period. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, the Executive Committee has made judgments in the process of applying the Association's accounting policies. The areas requiring the Executive Committee most difficult, subjective or complex judgments, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

Income Recognition

Income including donations, gifts and grants that provide core funding or are of general nature are recognised where there is (a) entitlement (b) certainty and (c) sufficient reliability of measurement. Such income is only deferred when: the donor specifies that the grant or donation must only be used in future accounting periods; or the donor has imposed conditions which must be met before the Association has unconditional entitlement.

(a) Grants

Grants to cover a particular expenditure or programme are accounted for as incoming resources upon receipt of notification of the grant award, which normally coincides with the year when the related expenses, for which the grant is intended to cover, are incurred. The corresponding asset (grants receivable account) is also recognised then. Grants received for the purchase of depreciable assets and refurbishment for school is taken to the deferred capital grants account. The deferred grants are recognised in the statement of financial activities over the years necessary to match the depreciation of assets to which the grants relate. A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants and government subvention receipts in recognition of specific expenses are recognised as income to match them with the related costs that they are intended to compensate.

Under the conditions of grant received, over or under funding from National Council of Social Services ("NCSS"), Tote Board, Ministry of Social and Family Development ("MSF") and Ministry of Education ("MOE") are refundable to or from NCSS, Tote Board, MSF and MOE.

(b) Donation and corporate sponsorship

Income from donation and corporate sponsorship are accounted for when received, except for committed donations and corporate sponsorship that are recorded when the commitments are signed.

(c) Rendering of service

Rendering of services including school fees that are of short duration is recognised when the services are completed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

2. Summary of Significant Accounting Policies (Cont'd)

Income Recognition (Cont'd)

(d) Fund raising

Revenue from special event is recognised when the event takes place.

(e) Other income

Interest income is recognised on a time-proportion basis using the effective interest rate that takes into account the effective yield on the asset. The income from sale of education materials and uniforms is recognised when significant risks and rewards are transferred to the buyer, the amount of income and cost incurred or to be incurred in respect of the transaction can be measured reliably.

Gifts In Kind

A gift in kind is included in the statement of financial activities based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received.

Employee Benefits

Contributions to defined contribution retirement benefit plans are recorded as an expense as they fall due. The Association's legal or constructive obligation is limited to the amount that it agrees to contribute to an independently administered fund which is the Central Provident Fund in Singapore (a government managed retirement benefit plan). For employee leave entitlement, the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the Association is contractually obliged or where there is constructive obligation based on past practice.

Income Tax

As a charity, the Association is exempt from tax on income and gains falling within section 13U(1) of the Income Tax Act to the extent that these are applied to its charitable objects. No tax charges have arisen in the Association.

Foreign Currency Transactions and Functional Currency Transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the Association operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. The presentation is in the functional currency.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE REPORTING YEAR ENDED 31 MARCH 2014**

2. Summary of Significant Accounting Policies (Cont'd)

Property, Plant and Equipment

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

| | | |
|----------------------------------|---|------|
| Freehold Building (exclude Land) | – | 2% |
| Freehold Building Improvement | – | 20% |
| Leasehold improvement | – | 33% |
| Furniture, Fittings & Equipment | – | 20% |
| Computers and Software | – | 100% |
| Motor Vehicles | – | 20% |

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. An asset is not depreciated when it is still under construction or work-in-progress. Fully depreciated assets still in use are retained in the financial statements.

Fully depreciated assets are maintained at a nominal value of \$1 until they are no longer in use when they are written off.

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in the statement of financial activities. The residual value and the useful life of an asset is reviewed at least at each end of reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Items costing \$1,000 or less are expensed off in the year of acquisition to the Statement of Financial Activities.

Cost also includes acquisition cost, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent cost are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of financial activities when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring it at the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 18 on provision.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE REPORTING YEAR ENDED 31 MARCH 2014**

2. Summary of Significant Accounting Policies (Cont'd)

Reserves Management

The reserve of the Association is mainly the accumulated fund. APSN Executive Committee's objective is to maintain an optimal balance in the accumulated fund to support the continuity of the activities of the Association and for future developments of the Schools and Centre for Adults. The Executive Committee monitors the level of the funds for working capital flexibility.

There were no changes in the Executive Committee's approach to reserve management during the year. The Association is not subject to externally imposed capital reserve requirements.

Leases

Whether an arrangement is, or contains, a lease, it is based on the substance of the arrangement at the inception date, that is, whether (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. Leases are classified as finance leases if substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. At the commencement of the lease term, a finance lease is recognised as an asset and as a liability in the statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each measured at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset. The excess of the lease payments over the recorded lease liability are treated as finance charges which are allocated to each reporting year during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the reporting years in which they are incurred. The assets are depreciated as owned depreciable assets. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

2. Summary of Significant Accounting Policies (Cont'd)

Impairment of Non-Financial Assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. When the fair value less costs to sell method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial Assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial positions when, and only when, the Association becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control. Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Subsequent measurement based on the classification of the financial assets in one of the following four categories under FRS 39 is as follows:

1. Financial assets at fair value through profit or loss: As at end of the reporting year date, there were no financial assets classified in this category.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

2. Summary of Significant Accounting Policies (Cont'd)

Financial Assets (Cont'd)

2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.
3. Held-to-maturity financial assets: As at end of the reporting year date, there were no financial assets classified in this category.
4. Available for sale financial assets: As at end of the reporting year date, there were no financial assets classified in this category.

Cash and Cash Equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flow the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand (if any) that form an integral part of cash management.

Financial Liabilities

Initial recognition, measurement and derecognition:

A financial liability is recognised on the statement of financial position when, and only when, the Association becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

2. Summary of Significant Accounting Policies (Cont'd)

Financial Liabilities (Cont'd)

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Liabilities at fair value through profit or loss: Liabilities are classified in this category when they are incurred principally for the purpose of selling or repurchasing in the near term (trading liabilities) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or have been classified in this category because the conditions are met to use the "fair value option" and it is used. Financial guarantee contracts if significant are initially recognised at fair value and are subsequently measured at the greater of (a) the amount determined in accordance with FRS 37 and (b) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with FRS 18. All changes in fair value relating to liabilities at fair value through profit or loss are charged to profit or loss as incurred. As at end of the reporting year, there were no financial liabilities classified in this category.
2. Other financial liabilities: All liabilities, which have not been classified in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowings are usually classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

Fair Value Measurement

Fair value is taken to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

2. Summary of Significant Accounting Policies (Cont'd)

Fair Value Measurement (Cont'd)

The fair value measurements and related disclosures categorise the inputs to valuation techniques used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless stated otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

Inventories

Inventories comprising educational materials and uniforms are measured at the lower of cost (first in first out method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made for where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes if any by action of the Executive Management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which Executive Committee retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

Monies received where the Association is not the owner and beneficiary is accounted for as trust fund. The receipts and payments in respect of trust funds are taken directly to the statement of financial activities and the net assets relating to these funds are shown as separate line in the statement of financial position.

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NOTES TO THE FINANCIAL STATEMENTS
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2. Summary of Significant Accounting Policies (Cont'd)

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

Critical Judgments, Assumptions and Estimation Uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

3. Related Party Relationships and Transactions

FRS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) A person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to the reporting entity if any of the following conditions apply: (i) The entity and the reporting entity are members of the same group. (ii) One entity is an associate or joint venture of the other entity. (iii) Both entities are joint ventures of the same third party. (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity. (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. (vi) The entity is controlled or jointly controlled by a person identified in (a). (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party includes the members of the Association's Executive Committee and Management Committee of the respective schools. Key management personnel are the Chief Executive Officer/ Executive Director, principals, vice-principals, CFA centre director and heads of department of the Association and respective schools.

It is not the normal practice for the trustees/office bearers, or people connected with them, to receive remuneration, or other benefits, from the Association for which they are responsible, or from institutions connected with the Association.

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NOTES TO THE FINANCIAL STATEMENTS
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3. Related Party Relationships and Transactions (Cont'd)

3.1 Inter-Schools/ Centre

There are transactions and arrangements between the schools and members of the group and the effects of these on the basis determined between the parties are reflected in these financial statements.

| | 2014 | 2013 |
|--|--------------|--------------|
| | \$ | \$ |
| Courses attended by Executive Committee members for the purpose of the Association | <u>1,497</u> | <u>-</u> |
| Reimbursement of expenses incurred by Executive Committee members for the purposes of the Association. | <u>5,311</u> | <u>1,666</u> |

Except for the courses attended and reimbursement of expenses as disclosed, all members of the Executive Committee are volunteers and receive no monetary remuneration for their contributions.

3.2 Key Management Compensation:

| | 2014 | 2013 |
|--|------------------|------------------|
| | \$ | \$ |
| Salaries and other short-term employees benefits | <u>2,955,252</u> | <u>2,218,252</u> |
| Number of key management in compensation bands: | <u>2014</u> | <u>2013</u> |
| \$100,000 and above | 11 | 9 |
| \$100,000 and below | <u>15</u> | <u>12</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

3. Related Party Relationships and Transactions (Cont'd)

3.2 Key Management Compensation: (Cont'd)

Key management personnel are the Chief Executive officer/Executive Director, principals, CFA centre director and heads of department having authority and responsibility for planning, directing and controlling the activities of the Association directly or indirectly. The above amounts for key management compensation are for the Chief Executive Officer, principals, vice-principals, CFA centre director and heads of department of the Association and respective schools.

4. Operating Grants Received

| | 2014 | 2013 |
|---|-------------------|-------------------|
| | \$ | \$ |
| National Council of Social Service ("NCSS") / Singapore Totalisator Board ("Tote Board") | | |
| – Operating grant | 5,740,950 | 4,668,776 |
| – HQ cost allocation | 524,790 | 431,004 |
| Provision for under (over) funding | <u>10,459</u> | <u>(24,389)</u> |
| | <u>6,276,199</u> | <u>5,075,391</u> |
| Ministry of Education ("MOE") | | |
| – Operating grant (including administrative manager grant) | 14,258,103 | 14,421,715 |
| – MOE secondment fund | <u>218,796</u> | <u>313,714</u> |
| | <u>14,476,899</u> | <u>14,735,429</u> |
| Ministry of Social and Family Development ("MSF") / Community Development Council ("CDC") | | |
| – Operating grants | 597,124 | 590,294 |
| – Provision for current year over funding | <u>–</u> | <u>(1,160)</u> |
| | <u>597,124</u> | <u>589,134</u> |

Funding from MOE, NCSS / Tote Board and MSF is on a "per capita" basis based on the number of students / clients enrolled during the year.

Funding for Schools is from MOE and NCSS, for CFA is from NCSS and MSF, and for Chaoyang Before and After School Care ("BASC") is from Community Development Council ("CDC").

MOE provides fully funded grant to support the employment of an administrative manager for each SPED school.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

5. Employee Benefits Expense

| | 2014 | 2013 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Salaries, bonuses, gratuity, housing allowance | 14,730,572 | 14,011,360 |
| CPF and SDF | 2,165,394 | 1,840,887 |
| Government grant income from job credit scheme | (425,843) | (88,125) |
| Provision for unused leave | <u>22,944</u> | <u>16,212</u> |
| | 16,493,067 | 15,780,334 |
| <i>CFA job training staff costs (Note 6)</i> | | |
| Salaries, bonuses, gratuity, housing allowance | 772,046 | 652,213 |
| CPF and SDF | 103,671 | 85,172 |
| Provision for unused leave | (2,685) | (16) |
| Less: Silver trust fund expenses | (217,015) | (86,670) |
| Pilot programme fund expenses | <u>(67,632)</u> | <u>–</u> |
| | <u>588,385</u> | <u>650,699</u> |
| | <u>17,081,452</u> | <u>16,431,033</u> |

6. CFA Job Training Expenses

| | 2014 | 2013 |
|---|------------------|------------------|
| | \$ | \$ |
| INCOME | | |
| Commercial handicraft | 13,692 | 21,658 |
| Cafe operations | 56,132 | 52,769 |
| Grass cutting and hospitality services | 3,963 | 17,658 |
| Thrift shop and recycling | 52,291 | 59,999 |
| Horticulture | 8,283 | 1,730 |
| Contract works | <u>15,172</u> | <u>12,229</u> |
| Total income | <u>149,533</u> | <u>166,043</u> |
| EXPENDITURE | | |
| Client allowances | 73,548 | 66,097 |
| Ingredients and materials | 44,445 | 32,469 |
| Maintenance of equipment and vehicles | 21,559 | 29,417 |
| Employee benefits expense (Note 5) | <u>588,385</u> | <u>650,699</u> |
| Total expenditure | 727,937 | 778,682 |
| Subvention from Pilot Programme Fund | (6,924) | – |
| Subvention from Community Silver Trust Fund | (15,658) | – |
| Subvention from CCA Fund | <u>(243,255)</u> | <u>(116,972)</u> |
| Net expenditure after subvention funds | <u>462,100</u> | <u>661,710</u> |

These are income generated and expenses incurred arising from the job training activities of the CFA clients.

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7. Property, Plant and Equipment

| | Leasehold improvements | Furniture, fittings and equipment | Computers & Software | Motor vehicles | Property under construction | Total |
|---------------------------------|------------------------|-----------------------------------|----------------------|----------------|-----------------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Cost | | | | | | |
| At 1 April 2012 | 13,533,550 | 1,821,222 | 1,047,934 | 186,724 | – | 16,589,430 |
| Additions | 958,476 | 310,020 | 196,930 | – | 908,678 | 1,465,426 |
| Disposals | (12,052) | (74,727) | (140,454) | – | – | (227,233) |
| At 31 March 2013 | 14,479,974 | 2,056,515 | 1,104,410 | 186,724 | 908,678 | 17,827,623 |
| Additions | 1,363,429 | 1,050,445 | 304,166 | – | 1,082,404 | 2,718,040 |
| Disposals | (15,228) | (232,292) | (192,317) | – | – | (439,837) |
| At 31 March 2014 | <u>15,828,175</u> | <u>2,874,668</u> | <u>1,216,259</u> | <u>186,724</u> | <u>1,991,082</u> | <u>20,105,826</u> |
| Accumulated Depreciation | | | | | | |
| At 1 April 2012 | 11,821,906 | 1,390,318 | 1,047,107 | 148,723 | – | 14,408,054 |
| Charge for the year | 517,521 | 214,627 | 192,352 | 9,499 | – | 933,999 |
| Disposals | (12,051) | (72,441) | (140,363) | – | – | (224,855) |
| At 31 March 2013 | 12,327,376 | 1,532,504 | 1,099,096 | 158,222 | – | 15,117,198 |
| Charge for the year | 564,970 | 416,946 | 308,206 | 9,499 | – | 1,299,621 |
| Disposals | (15,228) | (226,333) | (192,111) | – | – | (433,672) |
| At 31 March 2014 | <u>12,877,118</u> | <u>1,723,117</u> | <u>1,215,191</u> | <u>167,721</u> | <u>–</u> | <u>15,983,147</u> |
| Carrying Value | | | | | | |
| At 1 April 2012 | <u>1,711,644</u> | <u>430,904</u> | <u>827</u> | <u>38,001</u> | <u>–</u> | <u>2,181,376</u> |
| At 31 March 2013 | <u>1,243,920</u> | <u>524,011</u> | <u>5,314</u> | <u>28,502</u> | <u>908,768</u> | <u>2,710,425</u> |
| At 31 March 2014 | <u>2,951,057</u> | <u>1,151,551</u> | <u>1,068</u> | <u>19,003</u> | <u>1,991,082</u> | <u>4,122,679</u> |

The temporary occupation permit was issued on 4 March 2014 in respect of the freehold property under construction.

Fully depreciated property, plant and equipment still in use had an initial cost of \$12,772,224 (2013: \$12,143,659).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

8. Inventories

| | 2014 \$ | 2013 \$ |
|-----------------------|---------------|---------------|
| Educational materials | 24,940 | 19,631 |
| Uniforms | 17,164 | 17,580 |
| | <u>42,104</u> | <u>37,211</u> |

9. Other Receivables

| | 2014 \$ | 2013 \$ |
|---------------------|----------------|----------------|
| Sundry receivables | 199,211 | 151,840 |
| Interest receivable | 45,512 | 52,422 |
| | <u>244,723</u> | <u>204,262</u> |

10. Other Assets

| | 2014 \$ | 2013 \$ |
|---|----------------|----------------|
| Prepayments | 3,820 | 2,167 |
| Deposits | 668,670 | 631,975 |
| Advances on purchase of plant and equipment | 25,199 | 28,810 |
| | <u>697,689</u> | <u>662,952</u> |

11. Cash and Cash Equivalents

| | 2014 \$ | 2013 \$ |
|-----------------------|-------------------|-------------------|
| Not restricted in use | 23,188,661 | 23,155,490 |
| Restricted in use | 168,746 | 168,710 |
| Cash at end of year | <u>23,357,407</u> | <u>23,324,200</u> |

Cash restricted in use amounting to \$168,746 (2013: \$168,710) is for grants and donations received inclusive of interest earned for costs related to the erection and extension of Delta Senior Schools's building.

The rate of interest for cash on interest earning balances amounted to \$10,126,218 (2013 : \$10,563,652) is between 0.26% and 1.2% (2013: 0.32% and 1.2%) per annum.

11A. Cash and Cash Equivalents in the Statement of Cash Flows:

| | 2014 \$ | 2013 \$ |
|---|-------------------|-------------------|
| Amount as shown above | 23,357,407 | 23,324,200 |
| Restricted in use | (168,746) | (168,710) |
| Cash and cash equivalents for statement of cash flows purposes at end of the reporting year | <u>23,188,661</u> | <u>23,155,490</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2014

12. Trust Funds

| | 2014 \$ | 2013 \$ |
|---|------------------|----------------|
| a. Edusave Fund | 30,177 | 82,169 |
| b. Opportunity Fund | 85,386 | 14,203 |
| c. Parent Support Group | 5,094 | 10,000 |
| d. NCSS Research Study | (2,405) | (2,405) |
| e. School Pocket Money Fund | 3,230 | 10,047 |
| f. Curriculum Enhancement Fund | 290,369 | 271,674 |
| g. Trailblazer–Chan Chiew Ping Special Schools Fund | 4,830 | 7,757 |
| h. Staff Training Fund | 197,185 | 267,816 |
| i. SPED Innovation Award | 15,253 | 19,733 |
| j. Discretionary Financial Assistance | 33,276 | 64,110 |
| k. SPED Teacher Award | 1,469 | 2,537 |
| l. Community Silver Trust Fund | 561,902 | 55,306 |
| m. Staff Training Grant - OFA | 2,583 | 9,705 |
| n. Children's Charities Association Fund | 11,215 | 132,498 |
| o. School Based Student Award | – | – |
| p. Vocational Preparation Grant | 85,478 | – |
| q. Arts & Culture Presentation Grant | 5,880 | – |
| r. High Needs Grant | 11,510 | – |
| s. Additional Training Vote | 30,082 | – |
| Total Trust Funds | <u>1,372,514</u> | <u>945,150</u> |

12a. Edusave Fund

| | 2014 \$ | 2013 \$ |
|----------------------------------|-----------------|------------------|
| Balance at beginning of the year | 82,169 | 204,369 |
| Add: Fund received | <u>37,235</u> | <u>64,093</u> |
| | 119,404 | 268,462 |
| Less: Expenditure incurred | <u>(89,227)</u> | <u>(186,293)</u> |
| Balance at end of the year | <u>30,177</u> | <u>82,169</u> |

Edusave fund is a grant from MOE for enrichment programmes, purchase of resource materials and equipment for students.

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12. Trust Funds (Cont'd)

12b. Opportunity Fund

| | 2014 | 2013 |
|----------------------------------|----------------------|----------------------|
| | \$ | \$ |
| Balance at beginning of the year | 14,203 | 48,180 |
| Add: Fund received | <u>117,523</u> | <u>9,561</u> |
| | 131,726 | 57,741 |
| Less: Expenditure incurred | (46,340) | (32,527) |
| Fund refunded to MOE | <u>—</u> | <u>(11,011)</u> |
| Balance at end of the year | <u><u>85,386</u></u> | <u><u>14,203</u></u> |

The opportunity fund is a grant from MOE to provide Singapore citizen students from lower income households to enrich their learning and build firm foundation for learning. This fund is to be used from 2013 to 2015.

12c. Parent Support Group

| | 2014 | 2013 |
|----------------------------------|---------------------|----------------------|
| | \$ | \$ |
| Balance at beginning of the year | 10,000 | — |
| Add: Fund received | <u>—</u> | <u>10,000</u> |
| | 10,000 | 10,000 |
| less: Expenditure incurred | <u>(4,906)</u> | <u>—</u> |
| Balance at end of the year | <u><u>5,094</u></u> | <u><u>10,000</u></u> |

This is an one off funding of \$2,500 for each school to enhance its partnership efforts with parents to set up Parent Support Group ("PSG") and / or enhance the parental engagement with schools.

12d. NCSS Research Study

| | 2014 | 2013 |
|----------------------------------|-----------------------|-----------------------|
| | \$ | \$ |
| Balance at beginning of the year | (2,405) | 749 |
| Less: Expenditure incurred | <u>—</u> | <u>(3,154)</u> |
| Balance at end of the year | <u><u>(2,405)</u></u> | <u><u>(2,405)</u></u> |

NCSS has appointed APSN to conduct a research study to examine the post-programme experiences and outcomes of persons with mind intellectual disabilities. The funding of \$25,000 has been recognised in FY2012, with 50% received upon signing of the agreement in FY 2012, and the remaining 50% to be received upon NCSS's acceptance of the final report for the study.

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12. Trust Funds (Cont'd)

12e. School Pocket Money Fund

| | 2014 | 2013 |
|----------------------------------|---------------------|----------------------|
| | \$ | \$ |
| Balance at beginning of the year | 10,047 | 16,356 |
| Add: Fund received | <u>12,963</u> | <u>14,985</u> |
| | 23,010 | 31,341 |
| Less: Expenditure incurred | <u>(19,780)</u> | <u>(21,294)</u> |
| Balance at end of the year | <u><u>3,230</u></u> | <u><u>10,047</u></u> |

This represents grants received from NCSS for the welfare of needy students.

12f. Curriculum Enhancement Fund

| | 2014 | 2013 |
|----------------------------------|-----------------------|-----------------------|
| | \$ | \$ |
| Balance at beginning of the year | 271,674 | 354,724 |
| Add: Fund received | <u>162,805</u> | <u>107,599</u> |
| | 434,479 | 462,323 |
| Less: Expenditure incurred | <u>(144,110)</u> | <u>(190,649)</u> |
| Balance at end of the year | <u><u>290,369</u></u> | <u><u>271,674</u></u> |

The Curriculum Enhancement Fund ("CEF") was set up in FY2009/2010, by MOE to promote and sustain school initiated efforts in enhancing the quality of the special education curriculum and co-curriculum. The fund is jointly administered by MOE and NCSS.

12g. Trailblazer-Chan Chiew Ping Special Schools Fund

| | 2014 | 2013 |
|----------------------------------|---------------------|---------------------|
| | \$ | \$ |
| Balance at beginning of the year | 7,757 | 18,291 |
| Add: Fund received | <u>—</u> | <u>1,044</u> |
| | 7,757 | 19,335 |
| Less: Expenditure incurred | <u>(2,927)</u> | <u>(11,578)</u> |
| Balance at end of the year | <u><u>4,830</u></u> | <u><u>7,757</u></u> |

Trailblazer-Chan Chiew Ping Special Schools Fund was set up by Trailblazer Foundation, and administered by NCSS, to provide financial assistance to students affected by the economic downturn.

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12. Trust Funds (Cont'd)

12h. Staff Training Fund

| | 2014 | 2013 |
|----------------------------------|----------------|----------------|
| | \$ | \$ |
| Balance at beginning of the year | 267,816 | 532,977 |
| Add: Fund received | 193,914 | 1,605 |
| | <u>461,730</u> | <u>534,582</u> |
| Less: Expenditure incurred | (264,545) | (266,766) |
| Balance at end of the year | <u>197,185</u> | <u>267,816</u> |

This grant from MOE is for training and professional development of staff.

12i. SPED Innovation Award

| | 2014 | 2013 |
|----------------------------------|---------------|---------------|
| | \$ | \$ |
| Balance at beginning of the year | 19,733 | 20,677 |
| Add: Fund received | – | 10,000 |
| | <u>19,733</u> | <u>30,677</u> |
| Less: Expenditure incurred | (4,480) | (10,944) |
| Balance at end of the year | <u>15,253</u> | <u>19,733</u> |

The MOE and NCSS SPED Innovation Award is for school programmes given to Chaoyang School, Tanglin School and Delta Senior School.

12j. Discretionary Financial Assistance

| | 2014 | 2013 |
|----------------------------------|----------------|----------------|
| | \$ | \$ |
| Balance at beginning of the year | 64,110 | 42,738 |
| Add: Fund received | 76,293 | 68,688 |
| | <u>140,403</u> | <u>111,426</u> |
| Less: Expenditure incurred | (107,127) | (47,316) |
| Balance at end of the year | <u>33,276</u> | <u>64,110</u> |

This is a fund for students with financial needs. Per announcement at the budget statement on 18 February 2011, all SPED schools will receive a top up fund annually from the MOE for needy students' school fee, transport, meal, medicines and stationery, etc.

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12. Trust Funds (Cont'd)

12k. SPED Teachers Award

| | 2014 | 2013 |
|----------------------------------|--------------|--------------|
| | \$ | \$ |
| Balance at beginning of the year | 2,537 | – |
| Add: Fund received | – | 5,000 |
| | <u>2,537</u> | <u>5,000</u> |
| Less: Expenditure incurred | (1,068) | (2,463) |
| Balance at end of the year | <u>1,469</u> | <u>2,537</u> |

The Outstanding SPED Teacher Award received from MOE is for teachers' professional development.

12l. Community Silver Trust Fund

| | 2014 | 2013 |
|----------------------------------|----------------|----------------|
| | \$ | \$ |
| Balance at beginning of the year | 55,306 | – |
| Add: Fund receivables / received | 819,119 | 154,586 |
| | <u>874,425</u> | <u>154,586</u> |
| Less: Expenditure incurred | (312,523) | (99,280) |
| Balance at end of the year | <u>561,902</u> | <u>55,306</u> |

This Fund from the Agency for Integrated Care (AIC) is to enhance donations and provide additional resources for services providers in the intermediate and long-term care sector to enhance capabilities and provide value-added services to achieve higher quality care and affordable step down care.

12m. Staff Training Fund – OFA

| | 2014 | 2013 |
|----------------------------------|--------------|--------------|
| | \$ | \$ |
| Balance at beginning of the year | 9,705 | 15,682 |
| Less: Expenditure incurred | (7,122) | (5,977) |
| Balance at end of the year | <u>2,583</u> | <u>9,705</u> |

Staff Training Fund under Outcome Funding Agreement (OFA) was a grant of \$250 per staff from NCSS to build staff competencies. The grant is to be utilised by FY2015.

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12. Trust Funds (Cont'd)

12n. Children's Charities Association Fund

| | 2014 \$ | 2013 \$ |
|----------------------------------|----------------------|-----------------------|
| Balance at beginning of the year | 132,498 | 128,187 |
| Add: Fund received | <u>121,972</u> | <u>124,265</u> |
| | 254,470 | 252,452 |
| Less: Expenditure incurred | <u>(243,255)</u> | <u>(119,954)</u> |
| Balance at end of the year | <u><u>11,215</u></u> | <u><u>132,498</u></u> |

The Children's Charities Association Fund "CCA Fund" is designated for operational costs or to run programmes or projects carried out by schools and CFA, benefiting children up to age of 21 years old. The funds are to be designated for educational programmes, job training, student welfare and enrichment programmes for students. Since 26 May 2011, CFA has been receiving CCA Fund.

12o. School Based Student Award

| | 2014 \$ | 2013 \$ |
|----------------------------------|-----------------|-----------------|
| Balance at beginning of the year | - | - |
| Add: Fund received | <u>84,600</u> | <u>96,680</u> |
| | 84,600 | 96,680 |
| Less: Expenditure incurred | <u>(84,600)</u> | <u>(96,680)</u> |
| Balance at end of the year | <u><u>-</u></u> | <u><u>-</u></u> |

This was given by MOE to SPED students to encourage and recognise their achievements and progress. This award will be given annually to students who are Singapore citizens with good conduct and who meet the school-based criteria for the awards.

12p. Vocational Preparation Grant

| | 2014 \$ | 2013 \$ |
|----------------------------------|----------------------|-----------------|
| Balance at beginning of the year | - | - |
| Add: Fund received | <u>418,604</u> | <u>-</u> |
| | 418,604 | - |
| Less: Expenditure incurred | <u>(333,126)</u> | <u>-</u> |
| Balance at end of the year | <u><u>85,478</u></u> | <u><u>-</u></u> |

The Vocational Preparation Grant is for the implementation of vocational preparation in the school. This includes building up school's resources, facilities and manpower capability to support vocational preparation for students aged 13-18 years. In year 2013, this fund was reported under the MOE operating grant.

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12. Trust Funds (Cont'd)

12q. Arts & Culture Presentation Grant

| | 2014 \$ | 2013 \$ |
|----------------------------------|---------------------|-----------------|
| Balance at beginning of the year | - | - |
| Add: Fund received | <u>5,880</u> | <u>-</u> |
| Balance at end of the year | <u><u>5,880</u></u> | <u><u>-</u></u> |

The Arts & Culture Presentation Grant is to inspire students to continue their interest in the arts beyond their schooling years by giving them the experience of presenting their work to the public.

12r. High Needs Grant

| | 2014 \$ | 2013 \$ |
|----------------------------------|----------------------|-----------------|
| Balance at beginning of the year | - | - |
| Add: Fund received | <u>133,989</u> | <u>-</u> |
| | 133,989 | - |
| Less: Expenditure incurred | <u>(122,479)</u> | <u>-</u> |
| Balance at end of the year | <u><u>11,510</u></u> | <u><u>-</u></u> |

The High Needs Grant (HNG) for SPED schools has been set up to provide SPED schools with additional resources to support students with exceptionally high needs due to challenging behaviour. In 2013, this fund was reported under the MOE operating grant.

12s. Additional Training Vote

| | 2014 \$ | 2013 \$ |
|----------------------------------|----------------------|-----------------|
| Balance at beginning of the year | - | - |
| Add: Fund received | <u>48,000</u> | <u>-</u> |
| | 48,000 | - |
| Less: Expenditure incurred | <u>(17,918)</u> | <u>-</u> |
| Balance at end of the year | <u><u>30,082</u></u> | <u><u>-</u></u> |

The Additional Training Vote (ATV) is for professional development opportunities for SPED teachers to meet their diverse learning needs.

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13. Association Building Fund

| | 2014 | 2013 |
|---|------------------|------------------|
| | \$ | \$ |
| Balance at beginning and at end of the year | 2,395,614 | 2,195,614 |
| Add: Fund received | – | 200,000 |
| Balance at end of the year | <u>2,395,614</u> | <u>2,395,614</u> |

This fund is for the purchase and/or renovation of APSN's premises for its own use and/or as investment to generate rental income and for headquarter relocation expenses.

14. Designated Donation Fund

| | 2014 | 2013 |
|------------------------|------------------|------------------|
| | \$ | \$ |
| a. Designated donation | 2,246,178 | 2,355,062 |
| b. General purpose | 13,478 | 13,478 |
| c. Education fund | 593,748 | 593,748 |
| d. Percussion fund | 23,466 | 27,872 |
| | <u>2,876,870</u> | <u>2,990,160</u> |

14a. Designated Donation

| | 2014 | 2013 |
|----------------------------------|------------------|------------------|
| | \$ | \$ |
| Balance at beginning of the year | 2,355,062 | 1,782,576 |
| Add: Fund received | 1,310,344 | 1,038,504 |
| | 3,665,406 | 2,821,080 |
| Less: Expenditure incurred | (1,249,981) | (466,018) |
| Transfer to accumulated fund | (169,247) | – |
| Balance at end of the year | <u>2,246,178</u> | <u>2,355,062</u> |

The designated donation fund relates to donations received for specific purposes.

14b. General Purpose Fund

| | 2014 | 2013 |
|--|---------------|---------------|
| | \$ | \$ |
| Balance at beginning and end of the year | <u>13,478</u> | <u>13,478</u> |

This represents fund retained for general use by the APSN and schools.

14c. Education Fund

| | 2014 | 2013 |
|----------------------------------|----------------|----------------|
| | \$ | \$ |
| Balance at beginning of the year | 593,748 | 793,748 |
| Less: Expenditure incurred | – | (200,000) |
| Balance at end of the year | <u>593,748</u> | <u>593,748</u> |

This fund from CCA and public donation is to be utilised for the education and enrichment programme for students.

NOTES TO THE FINANCIAL STATEMENTS
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14. Designated Donation Fund (Cont'd)

14d. Percussion Fund

| | 2014 | 2013 |
|----------------------------------|---------------|---------------|
| | \$ | \$ |
| Balance at beginning of the year | 27,872 | 35,538 |
| Less: Expenditure incurred | (4,406) | (7,666) |
| Balance at end of the year | <u>23,466</u> | <u>27,872</u> |

This fund is set up to promote the performing arts in Tanglin School. It provides an opportunity for students to develop their creativity and showcase their musical talents.

15. Deferred Capital Grants

| | 2014 | 2013 |
|---|------------------|------------------|
| | \$ | \$ |
| At Cost | | |
| Balance at beginning of the year | 4,003,452 | 15,389,869 |
| Refurbishment of property, purchase of plant and equipment: | | |
| – Grant from MOE, MSF, Tote Board | 681,024 | 149,940 |
| – Public donations | 118,523 | 107,545 |
| Amount written off | (551,866) | (11,643,902) |
| Balance at end of the year | <u>4,251,133</u> | <u>4,003,452</u> |

Accumulated amortisation:

| | | |
|----------------------------------|------------------|------------------|
| Balance at beginning of the year | 2,553,053 | 13,499,082 |
| Amortisation for the year | 898,758 | 697,873 |
| Amount written off | (551,866) | (11,643,902) |
| Balance at end of the year | <u>2,899,945</u> | <u>2,553,053</u> |

Carrying Value

| | | |
|----------------------------------|------------------|------------------|
| Balance at beginning of the year | <u>1,450,399</u> | <u>1,890,787</u> |
| Balance at end of the year | <u>1,351,188</u> | <u>1,450,399</u> |

This represents grants and donations utilised for the refurbishment of properties and purchase of plant and equipment.

The amount written off represents those deferred capital grants which have been fully amortised.

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16. Refurbishment Fund

| | 2014 | 2013 |
|---------------------------|---------|---------|
| | \$ | \$ |
| a. Capital Asset Fund | 80,026 | 80,026 |
| b. CFA Refurbishment Fund | 45,667 | 54,341 |
| | 125,693 | 134,367 |

16a. Capital Asset Fund

| | 2014 | 2013 |
|--|--------|--------|
| | \$ | \$ |
| Balance at beginning and end of the year | 80,026 | 80,026 |

The capital asset fund was set up for the refurbishment of Delta Senior School's premises for the purchase of furniture, equipment and computer equipment.

16b. CFA Refurbishment Fund

| | 2014 | 2013 |
|----------------------------------|---------|---------|
| | \$ | \$ |
| Balance at beginning of the year | 54,341 | 57,764 |
| Less: Expenditure incurred | (8,674) | (3,423) |
| Balance at end of the year | 45,667 | 54,341 |

The CFA refurbishment fund was set up for the refurbishment of CFA premises.

17. School Building Fund

| | 2014 | 2013 |
|--------------------|-------|-------|
| | \$ | \$ |
| a. Chaoyang School | 3,952 | 3,952 |

17a. Chaoyang School

| | 2014 | 2013 |
|--|-------|-------|
| | \$ | \$ |
| Balance at beginning and end of the year | 3,952 | 3,952 |

This fund is for the refurbishment of Chaoyang School.

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18. Provision

| | 2014 | 2013 |
|--------------------------------------|--------|---------|
| | \$ | \$ |
| Provisions, Non-Current: | | |
| Provision for dismantling (Note 18A) | 58,270 | - |
| Provisions, Current: | | |
| Provision for dismantling (Note 18A) | 75,000 | 100,000 |

18A. Provision for Reinstatement of Premises

| | 2014 | 2013 |
|---|----------|---------|
| | \$ | \$ |
| Provision for Reinstatement of Premises | | |
| Balance at beginning of the year | 100,000 | 100,000 |
| Additions | 75,000 | - |
| Expenditure incurred | (41,730) | - |
| Balance at end of the year | 133,270 | 100,000 |

The provision is based on the present value of costs to be incurred to remove plant and equipment from leased property. The estimate is based on historical data and the unexpired term is 2 years and 1 year respectively. The unwinding of discount is not significant.

The Delta Senior School relocated from 20 Lower Delta Road Singapore 169832 to 3 Choa Chu Kang Grove Singapore 688237 in 2013. The provision is for the current land lease expiring in 2 years' time. Thus, the provision amounting to \$58,270 has been classified as non-current as at end of the reporting year.

The CFA will be relocated from 29 Jalan Tembusu Singapore 438235 to 11 Jalan Ubi Singapore 409074 in 2015. As a result of this relocation, the provision has been classified as current as at end of the reporting year.

19. Fund held on behalf of The Asia Federation on Intellectual Disabilities (AFID)

| | 2014 | 2013 |
|----------------------------|------|--------|
| | \$ | \$ |
| Bank balance held in trust | - | 52,054 |

NOTES TO THE FINANCIAL STATEMENTS
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20. AFID Conference Fund

| | 2014 | 2013 |
|----------------------------------|-----------------|----------------|
| | \$ | \$ |
| Balance at beginning of the year | 40,364 | 44,298 |
| Less: Expenditure incurred | <u>(13,319)</u> | <u>(3,934)</u> |
| Balance at end of the year | <u>27,045</u> | <u>40,364</u> |

This fund was set up from APSN's share of the surplus money from the 19th AFID conference organised jointly by APSN and MINDS in November 2009. Exco approved the fund to be used for APSN sending Board members and volunteers to conferences, study trips and educational activities locally or overseas.

21. Other Creditors and Accruals

| | 2014 | 2013 |
|----------------------------|------------------|------------------|
| | \$ | \$ |
| Accrued employee benefits | 1,281,369 | 1,172,903 |
| Accrued operating expenses | 153,164 | 132,740 |
| Sundry creditors | <u>257,529</u> | <u>76,476</u> |
| | <u>1,692,062</u> | <u>1,382,119</u> |

NOTES TO THE FINANCIAL STATEMENTS
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22. Amount Due from (to) NCSS, MOE, MSF, Tote Board and AIC

| | 2014 | 2013 |
|--|------------------|----------------|
| | \$ | \$ |
| National Council of Social Service ("NCSS") | | |
| Balance at beginning of the year | 18,161 | (34,700) |
| Paid to NCSS | 16,828 | 41,420 |
| Received from NCSS | (4,405) | (93,773) |
| Reclassification | - | 12,500 |
| Adjustment for prior years funding | (18,084) | 103,875 |
| Provision for current year under / (over) funding | 80,084 | (11,161) |
| Due from NCSS | 92,584 | 18,161 |
| Ministry of Education ("MOE") | | |
| Balance at beginning of the year | 11,156 | (78,849) |
| Adjustment for prior years funding | (17,876) | 78,849 |
| Received from MOE | 2,320 | - |
| Provision for current year under funding | 157,852 | 11,156 |
| Due from MOE | 153,452 | 11,156 |
| Ministry of Social and Family and Development ("MSF") | | |
| Balance at beginning of the year | (1,160) | (17,800) |
| Paid to NCSS | 9,252 | - |
| Adjustment for prior years funding | (8,092) | (17,800) |
| Provision for current year over funding | (5,275) | (1,160) |
| Due to MSF | (5,275) | (1,160) |
| Singapore Totalisator Board ("Tote Board") | | |
| Balance at beginning of the year | (31,570) | (34,313) |
| Amount received during the year | (27,386) | - |
| Refunded to Tote Board | 29,542 | 194,848 |
| Adjustment for prior years funding | 58,956 | (160,535) |
| Provision for current year over funding | (43,939) | (31,570) |
| Due to Tote Board | (14,397) | (31,570) |
| Agency for Integrated Care ("AIC") | | |
| Provision for current year under funding | 819,119 | - |
| Due from AIC | 819,119 | - |
| Balance at end of the year | <u>1,045,483</u> | <u>(3,413)</u> |

The amount due (from) / to NCSS, MOE, AIC and MSF comprises of adjustments and provision for over/ (under) funding in the reporting years.

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23. School Fees Received in Advance

| | 2014 | 2013 |
|--------------------------------------|-----------------|------------------|
| | \$ | \$ |
| Advance school fees received | 73,930 | 21,640 |
| Edusave Pupil Fund (a) | <u>30,020</u> | <u>52,180</u> |
| | <u>103,950</u> | <u>73,820</u> |
| (a) Balance at beginning of the year | 52,180 | 100,140 |
| Add: Receipts | <u>69,230</u> | <u>133,422</u> |
| | 121,140 | 233,562 |
| Less: Transfer to school fee income | <u>(91,390)</u> | <u>(181,382)</u> |
| Balance at end of the year | <u>30,020</u> | <u>52,180</u> |

Edusave Pupils Fund is provided by MOE for students' school fees and enrichment programs.

24. Income Tax and Tax-Exempt Receipts

24A. Income Tax

The Association is exempted from tax on income and gain falling within section 13U(1) of the Singapore Income Tax Act to the extent that these are applied to its charitable objects. Therefore, no provision for income tax has been made in the financial statements.

24B. Tax-Deduction Receipts

The Association has been approved as an Institution of Public Character for the period 1 October 2012 to 30 November 2015 and is allowed to issue tax deduction receipts for qualified donation received.

| | 2014 | 2013 |
|--|----------------|----------------|
| | \$ | \$ |
| Tax-deduction receipts issued for donations received | <u>589,780</u> | <u>598,022</u> |

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25. Financial Instruments: Information on Financial Risks

25A. Classification of Financial Assets and Liabilities

The following table summarises the carrying amount of financial assets and financial liabilities recorded at the end of the reporting year by FRS 39 categories:

| | 2014 | 2013 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Financial assets: | | |
| Cash and cash equivalents | 23,357,407 | 23,324,200 |
| Other receivables | 244,723 | 204,262 |
| Amount due from NCSS, MOE, MSF Tote Board and AIC | <u>1,045,483</u> | - |
| At end of the year | <u>24,647,613</u> | <u>23,528,462</u> |
| Financial liabilities: | | |
| Measured at amortised costs: | | |
| Other creditors and accruals | 1,692,062 | 1,382,119 |
| Amount due to NCSS, MOE, MSF Tote Board and AIC | - | <u>3,413</u> |
| At end of the year | <u>1,692,062</u> | <u>1,385,532</u> |

Further quantitative disclosures are included throughout these financial statements.

There are no significant fair value measurements recognised in the statement of financial position.

25B. Financial Risk Management

The main purpose of the financial instruments is to raise and manage finance for the Association's operations. The main risks arising from the Association's financial instruments are credit risk, interest risk and liquidity risk. The financial instruments comprise cash and bank balances, interest bearing fixed deposits, receivables and payables.

The Executive Committee has certain strategies for the management of financial risks. These guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The major guidelines are the following:

1. Minimise interest rate, currency, credit and market risk for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of payables and receivables denominated in the same currency. The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities for the investments are carried out by the Finance & Investment Sub-Committee.
4. All financial risk management activities are carried out following good market practices.

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25. Financial Instruments: Information on Financial Risks (Cont'd)

25C. Fair Values of Financial Instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

25D. Credit Risk on Financial Assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss. The exposure to credit risk with customers is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by School Management Committee.

As disclosed in Note 11 cash and cash equivalents balances represent short-term deposits with a less than 90-day maturity.

Other receivables are normally with no fixed terms and therefore there is no maturity.

25E. Liquidity Risk

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. All financial liabilities of the Association are due within one year.

The average credit period taken to settle trade payables is about 30 days (2013: 30 days). The other payables are with short-term durations.

The Association has sufficient cash balances to support cash commitments from their existing liabilities. Accordingly, the Association utilised minimum banking facilities.

25F. Interest Rate Risk

The interest rate risk exposure is mainly from changes in interest rates on interest bearing fixed deposits. The interest rate risk on financial assets and financial liabilities is not significant.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE REPORTING YEAR ENDED 31 MARCH 2014**

26. Operating Lease Commitments

- a) The operating lease payments are for rentals payable for photocopier machines. The lease rentals are for an average term of five years.

| | 2014 | 2013 |
|--|----------------|----------------|
| | \$ | \$ |
| Rental of Equipment | | |
| Within one year | 34,405 | 29,860 |
| After one year but not more than 5 years | <u>71,770</u> | <u>80,656</u> |
| | <u>106,175</u> | <u>110,516</u> |

| | | |
|------------------------------|---------------|---------------|
| Rental expense for equipment | <u>34,288</u> | <u>25,934</u> |
|------------------------------|---------------|---------------|

- b) At the end of the reporting year, the total of future minimum lease payment commitments under non-cancellable operating leases are as follows:

| | 2014 | 2013 |
|--|------------------|------------------|
| | \$ | \$ |
| Land Rental | | |
| Within one year | 2,309,532 | 2,554,779 |
| After one year but not more than 5 years | <u>2,595,155</u> | <u>2,945,564</u> |
| | <u>4,904,687</u> | <u>5,500,343</u> |

| | | |
|-------------------------|------------------|------------------|
| Rental expense for land | <u>2,583,500</u> | <u>2,584,252</u> |
|-------------------------|------------------|------------------|

The land rental payable to the Singapore Land Authority (SLA) for the land occupied by the Schools and Centre for Adults. The average lease term is 3 years. The rental is fully funded and paid by MOE directly to SLA for the Schools and fully funded and reimbursed by MSF for CFA.

- c) Capital Commitment

Amounts committed at the end of the reporting year for future expenditure but not recognised in the financial statements are as follows:

| | 2014 | 2013 |
|---|----------------|------------------|
| | \$ | \$ |
| Commitments to purchase plant and equipment | <u>381,150</u> | <u>1,859,841</u> |

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING YEAR ENDED 31 MARCH 2014

27. Changes and Adoption of Financial Reporting Standards

For the current reporting year the following new or revised Singapore Financial Reporting Standards were adopted. The new or revised standards did not require any material modification of the measurement methods or the presentation in the financial statements.

| <u>FRS No.</u> | <u>Title</u> |
|----------------|---|
| FRS 1 | Amendment to FRS 1 Presentation of Financial Statements (Annual Improvements) |
| FRS 16 | Amendment to FRS 16 Property, Plant and Equipment (Annual Improvements) |
| FRS 19 | Employee Benefits (Revised) |
| FRS 32 | Amendment to FRS 32 Financial instruments: Presentation (Annual Improvements) |
| FRS 36 | Amendments to FRS 36: Recoverable Amount Disclosures for Non-Financial Assets (relating to goodwill) (early adoption) (*) |
| FRS 107 | Amendments to FRS 32 and FRS 107 titled Offsetting Financial Assets and Financial Liabilities (*) |
| FRS 113 | Fair Value Measurements |
| INT FRS 120 | Stripping Costs in the Production Phase of a Surface Mine (*) |

(*) Not relevant to the association.

28. Future Changes in Financial Reporting Standards

The following new or revised Singapore Financial Reporting Standards that have been issued will be effective in future. The transfer to the new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year.

| <u>FRS No.</u> | <u>Title</u> | <u>Effective date for periods beginning on or after</u> |
|----------------|--|---|
| FRS 27 | Consolidated and Separate Financial Statements (Amendments) (*) | 1 Jul 2013 |
| FRS 27 | Separate Financial Statements (Revised) (*) | 1 Jan 2014 |
| FRS 28 | Investments in Associates and Joint Ventures (Revised) (*) | 1 Jan 2014 |
| FRS 36 | Amendments to FRS 36: Recoverable Amount Disclosures for Non-Financial Assets (relating to goodwill) (*) | 1 Jan 2014 |
| FRS 32 | Amendments to FRS 39: Novation of Derivatives and Continuation of Hedge Accounting (*) | 1 Jan 2014 |
| FRS 110 | Consolidated Financial Statements (*) | 1 Jan 2014 |
| FRS 111 | Joint Arrangements (*) | 1 Jan 2014 |
| FRS 112 | Disclosure of Interests in Other Entities (*) | 1 Jan 2014 |
| FRS 110 | Amendments to FRS 110, FRS 111 and FRS 112 (*) | 1 Jan 2014 |
| FRS 114 | Regulatory Deferral Accounts (*) | 1 Jan 2016 |
| INT FRS 121 | Levies (*) | 1 Jan 2014 |

(*) Not relevant to the association.